

U.S. DEPARTMENT OF ENERGY  
**Office of Electricity Delivery and  
Energy Reliability**



# **ENERGY ASSURANCE DAILY**

**September 21, 2005**

## **Highlights/Major Developments**

### **Update: Hurricane Katrina**

For the latest Hurricane Katrina situation report from the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy, please click on the following link: <http://www.oe.netl.doe.gov>

For the latest statistics on shut-in oil and gas production in the Gulf of Mexico, please click on the following link: <http://www.mms.gov/>

### **Hurricane Rita**

#### **Update - 3,400 FPL Customers Remain Without Power from Hurricane Rita**

FPL announced that as of 8 p.m. 3,400 customers were still without power: 2,400 in Miami-Dade County and 1,000 in Broward County. FPL expects virtually all customers to have power restored by Wednesday night. [http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20050920006309&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20050920006309&newsLang=en)

#### **Update – More Evacuations and Shut-ins as Hurricane Rita Approaches Gulf Facilities**

More companies announced evacuations and shut-ins as Hurricane Rita intensified and as the projected path pointed toward a greater impact on offshore production facilities. Among the companies responding to the changing situation by shutting in oil and gas production and evacuating personnel are: Marathon, Apache, ConocoPhillips, ChevronTexaco, Marathon, and Swift.

[http://biz.yahoo.com/ap/050921/swift\\_energy\\_rita.html?.v=1](http://biz.yahoo.com/ap/050921/swift_energy_rita.html?.v=1)

Reuters 10:06, September 21, 2005.

Reuters 9:55, September 21, 2005

Reuters 9:45, September 21, 2005

Reuters 9:37, September 21, 2005

Reuters 14:55, September 21, 2005.

Reuters 4:22, September 21, 2005.

## **Refiners and Others Preparing for Hurricane Rita**

Several refineries in the path of hurricane Rita have announced shut downs or reduced operations. BP's 460,000 barrel per day (b/d) Texas City refinery released non-essential personnel, Marathon's 72,000 b/d Texas City refinery will shut down, and Valero's 243,000 b/d Texas City and 85,000 b/d Houston refineries are reducing operations. BP also announced that it was cutting back on refinery runs. Flint Hills is shutting down its Corpus Christi refinery; ExxonMobil is shutting down its Baytown refinery because of other infrastructure closures.

Pipelines, TEPPCO's Seaway pipeline, which normally carries 350,000 b/d from the Gulf Coast to the Midwest, is in the process of being shut down, and Dixie Pipeline's Mont Belvieu facility is shutting down.

In addition several companies including BP, Shell, Citgo, and ConocoPhillips, have announced that they have or are planning to move operations or shutdown offices including trading operations in Houston. Shell has suspended trading operations and Citgo and ConocoPhillips have moved some staff out of Houston.

[http://biz.yahoo.com/rb/050921/markets\\_oil.html?v=3](http://biz.yahoo.com/rb/050921/markets_oil.html?v=3)

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BeigrqtuWUfb%27%40%3E%20bfek%5Cv>

OPIS Price Watch Alert, 15:17, September 21, 2005

OPIS Price Watch Alert, 15:53, September 21, 2005

OPIS Price Watch Alert, 16:33, September 21, 2005

OPIS Price Watch Alert, 16:05, September 21, 2005

Bloomberg 14:08, September 21, 2005.

## **LOOP to Shut Offshore Operations Wednesday Afternoon**

The Louisiana Offshore Oil Port announced that it would suspend offshore operations but would continue to ship crude oil to refineries from its onshore stocks.

Reuters 13:58, September 21, 2005.

## **Electricity**

### **Over 25,000 Customers in Northern California and up to 20,000 in Southern California Lose Power due to Thunderstorms**

Wide-scattered thunderstorms on September 20 left about 5,600 customers without power in the San Jose area; all but 1,000 of them had power restored by 10 pm Tuesday. In Boulder Creek, an additional 4,000 Pacific Gas & Electric customers experienced a brief power outage. In Livermore, 15,000 customers lost power, but by 10 pm PG&E had restored power to all but about 50 customers. In Stockton, an additional 1,800 PG & E customers lost power. In Southern California, another storm caused up to 20,000 Edison customers to lose power Monday night. By Tuesday morning 3,000 to 4,000 customers were still without power.

[http://www.paloaltoonline.com/news/show\\_story.php?id=1795](http://www.paloaltoonline.com/news/show_story.php?id=1795)

<http://www.recordnet.com/apps/pbcs.dll/article?AID=/20050921/NEWS01/509210306/1001>

### **Damage at 150,000 – 170,000 Entergy Customers So Severe That Service Cannot be Reestablished.**

Entergy New Orleans and Entergy Louisiana have between 150,000 and 170,000 customers where the damage is so great that utilities cannot be reconnected. The company estimates that the cost to repair facilities and the loss of business will be between \$750 million and \$1.1 billion. Entergy has announced that both units may file for bankruptcy protection.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=5962524](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=5962524)

### **Over 25,000 Lose Power in Jackson County, Oregon September 20**

A faulty transmission line caused over 25,000 Pacific Power customers to lose power on Tuesday. All customers had their power restored by mid-afternoon.

<http://www.mailtribune.com/archive/2005/0921/local/stories/02local.htm>

### **OPG's 535 MW Gas-fired Unit 3 at its Lennox Plant in Ontario Shut September 21**

Reuters 8:59, September 21, 2005.

### **Update-Limerick 2 Nuclear-Power Production At 77%, NRC**

Bloomberg, 7:57 September 21, 2005

### **APS's 405 MW Coal-fired Four Corners Plant Shut September 21**

Reuters, 15:32, September 21, 2005

### **Calpine's 335 MW Gas-fired Metcalf Plant Shut September 21**

Reuters, 15:32, September 21, 2005

## **Petroleum**

### **Koch's Minnesota Pipeline to Increase Capacity by 165,000 Barrels per Day**

By 2008, Koch will add a new 24-inch pipeline to its Minnesota Pipeline in order to move more Canadian crude into the U.S. Initially the pipeline will carry 100,000 b/d, with a capacity of 165,000 b/d, which is expandable to 350,000 b/d.

Oil Daily, September 21, 2005

### **100 Million Gallon Ethanol Plant to be Built in Kansas**

The Dallas-based Panda Group will construct a 100 million gallon ethanol plant in Haskell County, Kansas beginning in the first quarter of 2006. Construction is expected to take about a year.

For additional information on petroleum, see Highlights/Major Developments

## **Natural Gas**

### **Another Record for Gas Prices**

Natural gas prices rose sharply on the futures market as Hurricane Rita intensified and its projected course threatened more of the offshore production facilities. The price on the NYMEX reached as much as \$13.24 before closing at \$12.88.

Reuters 13:25, September 21, 2005.

### **Update – Shipments on Transco Drop by 520 MMCFD After Katrina**

Williams Companies announced that shipments of natural gas on its Transco system have fallen off by 520 MMcf/d due to Hurricane Katrina.

Reuters 12:03, September 21, 2005

### **Nigerian LNG Facility Back in Service**

The Nigerian Liquefied Natural Gas Company Announced that its LNG plant has resumed operations and one train is producing at capacity. The force majeure declared by the company in August will remain in effect until the remaining trains resume full scale production which the company estimates will occur in approximately one week.

Reuters 11:54, September 21, 2005.

For additional information on natural gas, see Highlights/Major Developments

## Other News

### U.S. Nuclear Regulatory Commission to Inspect Leak

The Nuclear Regulatory Commission was inspecting a small radioactive leak from a spent-fuel pool at Entergy Nuclear Northeast's Indian Point nuclear power plant in New York. The leak was discovered earlier in the month during excavation, but it was determined that it was not a threat to public safety.

<http://www.nytimes.com/2005/09/21/nyregion/21indian.html>

## Energy Prices

	Latest (09/21/05)	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate US</b> \$/Barrel	67.16	65.20	48.41
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	12.85	10.80	5.58

Source: Reuters

### This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

*Updated on Wednesdays*

### Weekly Petroleum Status Report from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

*Updated after 1:00pm (Eastern time) on Wednesdays*

### Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

*Updated after 2:00 pm (Eastern time) on Thursdays*

### ENSEC threat awareness blog site from Energy Assurance

<http://ensec.blogspot.com>